STACKS

Unemployment Insurance Review

September—October 1966

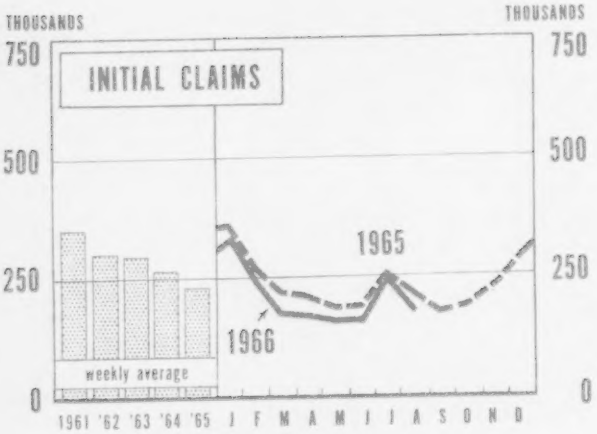
In this issue . . .

Changes in State UI Laws During 1966
Improving Claims Adjudication Services

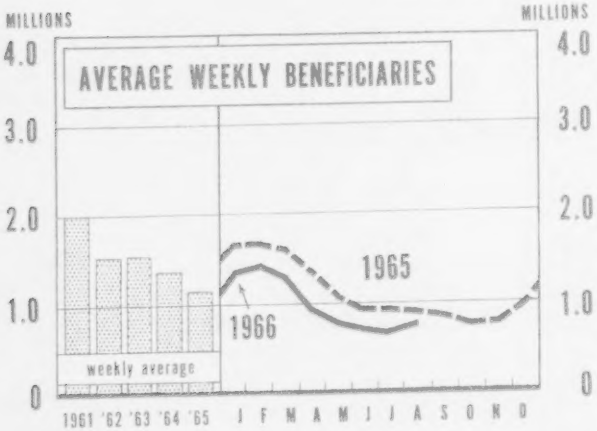
UNITED STATES DEPARTMENT OF LABOR
MANPOWER ADMINISTRATION

UNEMPLOYMENT INSURANCE ACTIVITIES

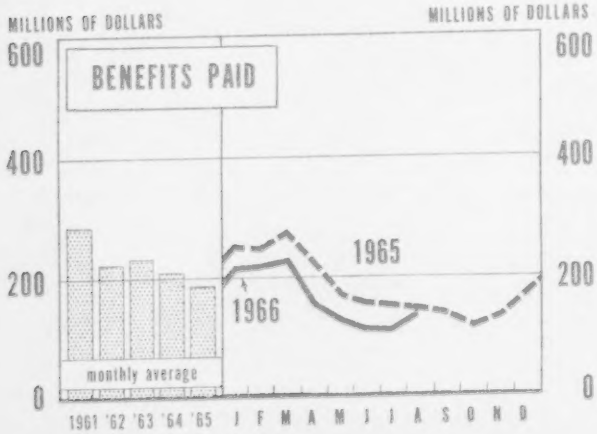
UNDER STATE PROGRAMS



Initial claims under State programs averaged 172,700 per week in August, 31 percent less than in July and 20 percent below the number a year earlier. The over-the-month decline primarily reflected recalls at plants closed during vacation periods.



Unemployed workers receiving benefit payments under State unemployment insurance programs averaged 791,000 per week in August, compared with weekly averages of 719,500 in July and 901,000 in July 1965.



A total of $143.1 million was paid in benefits to insured jobless workers under regular State unemployment insurance programs in August—a rise of $29.2 million from July, but a decline of $5.0 million from August a year ago.

Unemployment Insurance Review

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Vol. 3, Nos. 9 and 10

U.S. DEPARTMENT OF LABOR
W. Willard Wirtz, Secretary

MANPOWER ADMINISTRATION
Stanley H. Ruttenberg, Administrator

BUREAU OF EMPLOYMENT SECURITY
Robert C. Goodwin, Administrator

UNEMPLOYMENT INSURANCE SERVICE
William U. Norwood, Jr., Director

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Changes in State UI Laws During 1966

JOSEPH A. HICKEY

OF THE 23 State legislatures that convened in regular session in 1966, 16 enacted changes in their unemployment insurance laws. Three other States met in special session and amended their unemployment insurance laws. While benefit increases were accompanied in two States by more stringent qualifying requirements, there was no corresponding tightening of disqualification provisions. Unemployment insurance protection was extended to some workers heretofore excluded and withdrawn from others. With decreasing unemployment and the consequent reduction in the drain on State unemployment insurance funds, no State increased its taxable wage base or maximum tax rate.

Benefit Provisions

The table on page 2 indicates the principal amendments to the benefit provisions.

Weekly benefit amount.—Seven States (Alaska, Delaware, Georgia, Kentucky, Louisiana, Maryland, and Virginia), with 8.5 percent of all covered workers, increased their maximum weekly benefit rates by amounts ranging from $2 to $10, and two of these States also increased their minimum benefit amounts. One of the States that increased its maximum benefit rate also provided for an additional increase in 1967.

Alaska increased its maximum basic weekly benefit amount from $45 to $55 and its maximum for claimants with dependents from $75 to $80. Delaware increased its maximum weekly benefit amount from $50 to $55 and its minimum from $7 to $10. Delaware also increased its partial earnings allowance from $2 to $7 and provided for rounding of all benefit amounts to the higher dollar instead of to the next higher multiple of 50 cents. Georgia increased its maximum weekly benefit amount in two stages—from $35 to $43, beginning July 1, 1966, and to $45, beginning July 1, 1967. Kentucky adopted a flexible maximum weekly benefit amount which will be computed annually on the basis of 55 percent of 85 percent (approximately 46.8 percent) of the statewide average weekly covered wage in the preceding calendar year. (The first computation under this provision increased the maximum award from $40 to $45.) Louisiana increased its maximum from $40 to $45. Maryland increased its maximum weekly benefit amount for claimants with or without dependents from $48 to $50. Virginia increased its maximum from $36 to $42 and its minimum from $15 to $16; it also increased its partial earnings allowance from $8 to $10. In addition to the changes resulting from legislative enactments, 15 other States increased their maximum weekly benefit amounts as a result of flexible maximum provisions already in operation.

Qualifying requirements.—Two States that increased minimum and maximum benefit amounts also increased the amount of wages needed to qualify for benefits. Delaware changed its qualifying wage requirement from 30 to 36 times the individual's weekly benefit amount but added a provision for a five-step "stepdown" provision. Since its minimum weekly benefit amount was also increased, the net result of these changes was to increase, from $210 to $360, the minimum base-period wages needed to establish monetary eligibility for benefits. And Virginia, while not actually amending its qualifying requirement, increased its minimum base-period qualifying wages by $46, from $690 to $736, as a result of a $1 increase in minimum benefits. Arizona added a requalifying provision for individuals claiming benefits in a second successive benefit year by specifying that a claimant must earn wages equal to at least 8 times his weekly benefit amount subse-

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CHANGES ENACTED IN 1966 IN MINIMUM AND MAXIMUM WEEKLY BENEFIT AMOUNTS, QUALIFYING REQUIREMENTS, AND DURATION OF BENEFITS

State	Weekly benefit amount				Qualifying requirements		Duration of benefits	
	Minimum		Maximum		From—	To—	From—	To—
	From—	To—	From—	To—				
Alaska			$45	$55			26 x weekly benefit amount—maximum.	28 x weekly benefit amount—maximum.
Delaware	$7	$10	50	55	30 x weekly benefit amount.	36 x weekly benefit amount.	Lesser of 26 weeks and 37 percent of base-period wages.	Lesser of 26 weeks and 40 percent of base-period wages.
Georgia			35	[1] 43				
Kentucky			40	45				
Louisiana			40	45				
Maryland			48	50				
Virginia	15	16	36	42	Minimum qualifying wages of $690.	Minimum qualifying wages of $736.		

[1] $45, effective July 1, 1967.

quent to the beginning of his preceding benefit year. Legislation affecting seasonal workers was adopted in two States. Delaware increased from $200 to $300 the amount of wages needed for seasonal workers to qualify for benefits. And Louisiana deleted its seasonal provision which restricted the use of seasonal wage credits during the nonseasonal period.

Duration.—Alaska became the only State during the 1965–66 biennium to increase the maximum potential number of weeks of benefits for which a claimant may be eligible. This increase, from 26 to 28 weeks, now brings to 10 the number of States with a maximum duration above 26 weeks.

Delaware increased from 37 percent to 40 percent the proportion of base-period wages payable in benefits.

Two States changed their provisions for rounding maximum benefit entitlement to even dollar amounts: Delaware to the next higher dollar, and Maine to the nearest dollar.

Other benefit amendments included the adoption of a provision in Alaska for extending the base period, up to four additional calendar quarters, whenever it is found that an individual has been incapable of work during the greater part of his working time in any calendar quarter, and the repeal in New Jersey of the provision that prohibited the agency from subscribing to the Extended Plan for Wage Combining for interstate claims. New Jersey subsequently subscribed to the plan, effective July 1, 1966.

Eligibility and Disqualification Provisions

No major amendments were enacted to restrict the payment of benefits to claimants for nonmonetary reasons. Where existing statutes were modified, they tended on the whole to have a liberalizing effect.

Georgia and New Jersey enacted provisions permitting the payment of benefits to individuals attending approved training programs. The Georgia provision included a disqualification for voluntary leaving for individuals who voluntarily terminate an approved training course. New York expanded the scope of its retaining provisions by making them applicable to more claimants and establishing a separate program for training at public and private institutions of learning, business establishments, or other organizations. Individuals enrolled in this separate program would receive training, subsistence, and transportation allowances financed through a special State fund.

Two States amended their availability provisions by liberalizing the special circumstances under which some individuals may receive benefits. Delaware extended from 45 to 63 days the period during which an individual on temporary layoff, resulting from an annual model change or from re-

tooling, may be deemed available for work. Massachusetts increased from one to two the number of weeks in a benefit year for which an individual may be deemed available if he becomes ill or disabled after filing his claim and no suitable work is offered to him.

Two States amended their labor dispute provisions. Maryland became the first State since 1949 to enact a provision exempting from the labor dispute disqualification individuals who are unemployed because of a lockout. Massachusetts now provides that those individuals unemployed because of a labor dispute shall not be considered as belonging to the same grade or class of workers as those responsible for a stoppage of work, if no work is available for them and if they are not members of, or eligible for, membership in a group or organization that is responsible for the stoppage of work.

Maryland repealed its provision for reducing or denying unemployment benefits to individuals who receive old-age insurance benefits under title II of the Social Security Act. Virginia now reduces a claimant's weekly benefit amount by the amount of remuneration he receives under both public and private retirement plans; however, old-age insurance benefits are specifically exempted from this provision.

Financing

Five States amended their financing provisions to bring into effect lower or higher rates but, with the exception of one State, the changes will not become operative until specified fund adequacy levels occur. Arizona increased the number of rate schedules and lowered the trigger point for the signaling of lower rate schedules. Georgia deleted its provision for suspending reduced rates whenever the fund balance reaches a dangerous level and replaced it with a provision for additional rates whenever the fund falls below a specified level. Louisiana reduced the ratio of fund balance to taxable payroll necessary for the triggering of a suspension of reduced rates; however, a stipulation was added that the fund balance must be at least $110 million before reduced rates go into effect. Louisiana also lowered the trigger point for applying higher rate schedules and deleted the special computation date for newly subject employers. Missouri added a new rate schedule to be operative during 1967. New York added five new subsidiary contribution rates and provided for triggering of these rates when the general account balance is $120 million instead of $100 million.

Two States—Arizona and Georgia—added provisions for noncharging of benefits paid to retirees who leave work under a mandatory age-retirement plan agreed upon by the employer and the employee (or his bargaining agent). Two States modified their provisions for transfer of experience rating: Maryland, by limiting its provision to those transfers of all or substantially all of a business; and South Carolina, by defining "substantially all" to mean 95 percent or more of a business.

Coverage

There was little legislative activity in extending unemployment insurance protection to additional workers. Two States extended coverage, while three States restricted it. New York narrowed the exclusion of agricultural labor by exempting such service only if it is performed in the employ of an operator of a farm. Utah provided statutory authorization for counties, cities, towns, and other political subdivisions to elect coverage for their employees. Previously the Utah law was interpreted to permit such coverage, but none was elected. Real estate salesmen were excluded from coverage in Georgia; school-bus operators in Maryland; and band or orchestra members in Michigan.

Other Amendments

Hawaii and New Jersey amended their basic "Reed Act" statutes by extending from 5 to 10 years the period during which such funds may be obligated for the payment of administrative expenses. The Alaska legislature requested the Governor to take action to repay the 1967 and 1968 obligation of the title XII advances made to the Alaska unemployment trust fund by the Federal Government. Arizona and Virginia modified their appeals procedures with respect to labor dispute cases. West Virginia changed the tenure of advisory council members. Penalty provisions were added in Georgia and reduced in South Carolina. Anticipating Federal legislation on unemployment insurance, the Rhode Island legislature memorialized the Congress to act favorably on the Administration's proposals, while the legislatures of Arizona and Georgia requested Congress to reject them.

Improving Claims Adjudication Services

MORTON ROSENBAUM

This is the last of three articles by the author dealing with improvement of the nonmonetary determination function. The first, "A Training Unit on the Nonmonetary Determination Function," appeared in the January–February 1966 issue; and the second, "Training UI Claims Adjudicators," in the May 1966 issue of the Unemployment Insurance Review.

IN ADDITION to inservice and outservice training programs for unemployment insurance claims adjudicators (including the development and use of training materials) and the maintenance of a regular quality control program, there is another important way to help achieve the goal of optimum quality service in claims adjudication, and that is to establish and maintain the professional status of the claims adjudicator's job.

Claims Adjudicator Job Description

The first basic step in determining how to improve the quality of claims adjudication services is, of course, to define and describe the claims adjudicator's job. If it were universally recognized and agreed throughout the Federal-State employment security system that a claims adjudicator must be thoroughly trained and competent to perform the functions of his job, the need to establish and maintain the professional status of this position would be recognized. Then, whenever organizational or procedural changes or new work assignments arise, they can be handled in a way that will strengthen the professional standing of the claims adjudication function, while at the same time maintaining and improving the quality of claims adjudication services for the overall benefit of both workers and employers.

The Committee on Unemployment Compensation Programs and Operations of the Interstate Conference of Employment Security Agencies was interested in promoting the professional status of the claims adjudicator position and requested the Bureau of Employment Security to prepare a new job description.

The Bureau's national office staff prepared a detailed job description for the position based upon their experience in this area of operations. This description, as released to the State employment security agencies early in August of this year (GAL No. 1013), is reproduced at the conclusion of this article.

It was written in narrative form rather than in a technical format so that the job could be described fully and freely. The narrative form also allows for a presentation in a logical sequence that is easy to read and understand. The responsibilities inherent in the position and the necessary technical skills and abilities are described in detail. At the outset, the description clearly indicates that the claims adjudicator position is an important and responsible one by stating, "Adjudication of the rights of citizens under a law is the principal duty of the unemployment insurance adjudicator." It also points out why such titles as deputy, examiner, and interviewer do not convey a true impression of the responsibilities and scope of the position.

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The description explains that when a claim is referred to the adjudicator, his first task is to carefully review the record and if necessary ask for additional information in order to decide whether there is an issue that must be resolved. The claims adjudicator must exercise considerable initiative and independent judgment in each case to decide whether a nonmonetary determination is required.

Having decided that a determination is necessary, the adjudicator needs to clearly identify the issue(s) that must be resolved and plan a fact-finding investigation that will reveal all of the facts needed for a proper legal conclusion. The description points out that in order to plan and carry out a fact investigation effectively, the adjudicator must possess many kinds of knowledge because in the course of a normal day's work he deals with many different kinds of issues. For example, if he is confronted with a question as to whether a claimant is able to work, he may have to consider medical facts and the occupational limitations imposed by various disabilities. When he is considering whether a claimant is available for work, he must develop facts about the claimant's skills, abilities, interests, and attitudes. He then relates them to his extensive knowledge of jobs and industries, such as the work requirements of many occupations and customary methods of obtaining employment in the various industries. The description emphasizes that the adjudicator must have a thorough understanding of industrial practices, industrial relations, and labor relations, as well as a good grasp of the general social, personal, and economic problems an individual may be faced with.

The description notes in detail that the adjudicator must also possess and be able to apply effectively certain skills and abilities in areas such as oral and written communication and knowledge of psychology and motivation. For example, he must recognize the difficulties of understanding and gear the conversation to the level of the interviewee, at the same time resolving all inconsistent information without generating antagonism.

Although the interview with the claimant is usually the major source for his fact investigation, the description reveals that it is very important for the adjudicator to know what other sources of information he can use, when he should avail himself of these sources, and the most efficient method for obtaining information from each under various circumstances. He must also exercise judgment in deciding when it is necessary to return to a particular source of information in order to verify or reconcile information already obtained or to offer a party of interest an opportunity for rebuttal.

Last but not least, the claims adjudicator must decide when he has obtained sufficient facts to terminate his investigation. Then he must, of course, record all the information properly to indicate clearly from whom, how, and when it was obtained. He must carefully evaluate it and prepare a clear and concise statement, summarizing all of the pertinent facts, that will serve to give an understanding to all interested parties and support his fact conclusions. The statement must explain how the facts in the case support the legal conclusions. In addition, the adjudicator's written statements should help to promote good public relations and should avoid language which might incite undesirable emotional reactions or offend its readers.

The description points to the need for the adjudicator to know how to use effectively the various tools of his profession; for example, precedent manuals, policy statements, interviewing aids, and handbooks of statutory provisions and regulations. These should help him to identify what facts are needed, how they may be obtained most readily, and how such facts are used, as well as how he should apply the law to the facts he obtains.

The description goes on to emphasize the importance of the adjudicator's role in the community. His objective approach, free of prejudice or attitudes which favor one party or another, promotes his acceptance by the parties of interest and the public.

It concludes with a discussion of some of the other duties that may be assigned to a claims adjudicator, such as conducting benefit rights interviews or periodic interviews. These were included in the job description for the claims adjudicator position because these additional tasks require the same kinds of specialized knowledge and skills as the adjudication work itself. Their importance is stressed because the periodic interview and the benefit rights interview are directed toward assisting the claimant to return to suitable employment as early as possible, as well as acquainting him with his rights and responsibilities under the law and carefully reviewing the circumstances relating to his claim for benefits in order to ascertain that such benefits are payable to him.

To sum up, this job description of the claims adjudicator's responsibilities spells out in an ana-

lytical fashion (1) all the tasks he is required to perform, (2) the kinds of knowledge and skills he must have, and (3) the complexity of his work and the responsibilities he must assume, in order to establish the truly professional character of this position.

Situations Affecting Quality Performance

Even though the professional status and duties of the claims adjudicator position have been determined and accepted, certain operational elements will always be present that may tend to fragment or dilute his functions. These elements are discussed below, with suggestions as to how they can be managed while still preserving the adjudicator's primary functions.

Workload factors.—Prior to and during the early years of World War II, most State employment security agencies were in a favorable position to recruit professional personnel for claims adjudication work. However, as the war continued, it became increasingly difficult to obtain qualified staff. Then, when the war ended, the large numbers of unemployed and the special readjustment allowance program for veterans substantially increased the claims workload.

Confronted with heavy workloads and a shortage of personnel, many State agencies felt compelled to resort to various job-dilution techniques. Numerous factfinding questionnaire forms were developed and put into use. Separate factfinding questionnaires were used for cases concerning discharge for misconduct, voluntary quit, availability for work, and so on. These were accompanied by a multiplicity of notice-of-determination forms containing a great number of preprinted statements. All of this made it possible for the adjudicator to carry out almost his entire job by merely selecting the appropriate form and checking the correct boxes to indicate which preprinted statements applied. The use of such forms helped get the job done but did not promote the professional development of the claims adjudicators nor help to improve the quality of their service.

The current national decline of the claims workload provides an excellent opportunity to devote more time and effort to quality improvement in claims adjudication and, certainly, to reverse the job-dilution process. The objective should be "individualized" nonmonetary determinations that (1) reflect adequate fact investigations, (2) contain complete and accurate findings of fact supported by clear and convincing reasoning, and (3) reach conclusions that are consistent with law and policy.

Geographic factors.—There is the question of how to avoid splitting the adjudicator's functions of factfinding and determination writing in States where there are several small offices located in remote areas with such small workloads that they cannot support the assignment of a full-time adjudicator. In such circumstances, to entrust fact investigation to any one of the employees serving in the small office is most undesirable. The fact investigation is just as important and, in many instances, more difficult than the determination writing. Yet it is quite common to find a stenographer or interviewer-in-charge, without any significant amount of training in adjudication work, doing the fact investigating in these small offices. Obviously, this division of the claims adjudication functions, and the assignment of them to employees without proper training and no understanding of the qualifications required for this work, do not promote the professional status of the claims adjudication job nor improve the quality of service. If a limited workload does not warrant the assignment of a claims adjudicator to prepare the determination as well as to conduct the fact investigation, the latter activity should be withdrawn from the small office personnel.

It has been suggested that one way claims adjudication service could be provided in the smaller offices would be to assign traveling claims adjudicators who would operate from area-servicing claims offices. The State would be divided into a number of areas, each with a large area-servicing office in which a traveling claims adjudicator would be stationed. He would handle the claims adjudication work in the small offices in that area according to a schedule based upon workload needs. The traveling claims adjudicator would be a fully trained and qualified professional, responsible for doing a complete adjudication job. In addition, he could be assigned to work in the small office if it developed a large enough workload to justify a full-time claims adjudicator. Under this arrangement the claimants in small and remote local offices would be assured the same quality of service as those served by a large metropolitan area office. In addition, the claims adjudicator's functions would not be divided and assigned to less qualified personnnel, and the professional status of the job would be strengthened.

Organizational factors.—There is also an administrative organization arrangement that adversely affects the professional status and quality of claims adjudication functions. Approximately one-third of the State employment security agencies have a centralized system for making nonmonetary determinations. The word "centralized" is used here in its broadest sense and refers to those agencies that issue nonmonetary determinations from their central offices. In some of these States, the local office prepares the determination, or recommends what it should be, but it is reviewed and released by the central office. A professional claims adjudication position is difficult to establish in these States where the fact investigation is carried out by a local office employee and the corresponding determination is made by another employee in the central office. In this situation, resistance to changing over to the method of decentralized determinations is based primarily on problems of organization and control. The agency's UI Director or Chief of Benefits may have no line of supervisory authority to the local offices. Although these officials are well acquainted with the built-in obstacles of a divided adjudication job, they are reluctant to change to a decentralized process, presumably because it would mean loss of effective control of the activity. There is considerable merit to the assumption that the assignment of the supervision of this vital activity to the staff responsible for Employment Service activities is inappropriate because their placement service responsibilities usually require most of their time, effort, and interest.

Again, as in the situation of serving small offices, in order to overcome organization and control factors and to obtain a decentralized nonmonetary determination process, an area-servicing claims office organization can be set up. This would include a direct line of supervision from the UI Director or Chief of Benefits to the area-servicing claims office to provide supervision for claims activities and, as needed, the actual adjudication services in the small offices within each service area.

Conclusion

Claims adjudication is one of the major functions in the administration of the UI program. Claims adjudicators with the required education and background to perform this type of work must be carefully recruited. They must be provided with the necessary basic training and materials. Their training must be continuous within the service, and reinforced at appropriate intervals by suitable supplementary outservice seminars at the university level. Supervision of claims adjudication work should include a well-planned and continuing program of quality control. Finally, general agreement should obtain throughout the employment security system on the role of the claims adjudicator and the professional status of the position. At the same time, efforts should continue to strengthen and preserve the professional character of the work whenever changes are required because of organization, geography, workload, and other normal circumstances. Only by the recognition of the need for and initiation of these improvements can maximum quality service be rendered and the proper and efficient administration of the UI program be strengthened.

Description of the Unemployment Insurance Claims Adjudicator (Examiner/Deputy) Job

Adjudication of the rights of citizens under a law is the principal duty of the Unemployment Insurance Claims Adjudicator. Although in various States this position is called Claims Deputy, Claims Interviewer, Claims Examiner, etc., none of these accurately describes the scope of the position. Using only policy guides and knowledge of law and its interpretation, he makes decisions about claims for which he is fully responsible. He is a deputy only in a sense to which this full responsibility is delegated by the agency's Administrator. He is an interviewer only to the extent that one portion of the demanding job is frequently accomplished through interrogation of people. The term, "examiner, inadequately describes the fact that he identifies the issues, develops all information needed through various investigative techniques, and applies logical reasoning to reach a decision which must be explained clearly in writing to parties who are frequently in controversy regarding the facts and the issue.

The Claims Adjudicator reviews pertinent information regarding claims referred to him when a protest from an employer or the claimant's own statement has indicated the possibility of irregularity in the claim. His first task is to determine whether or not an issue actually exists. This may require some preliminary questioning of the claimant or an employer or others having pertinent information.

When an issue or controversy does exist, the Claims Adjudicator must identify the issues and plan the scope of a factfinding investigation designed to obtain all of the pertinent facts required for a proper legal conclusion under the law, taking into consideration the procedures, policies, and established precedents. Although he works exclusively within the framework of the unemployment insurance law, the issues involved require many kinds of knowledge. He must determine if claimants are able to work. This may require consideration of medical facts, the occupational limitations imposed by various kinds of disability, and perception of attitudes which would permit some judgment as to the intent of the worker to overcome what appear to be work handicaps. The issue may involve determining if a claimant is available for work or is making reasonable efforts to find work. To do so he must develop facts regarding the claimant's skills, abilities, interests, and attitudes which he considers in connection with extensive knowledge of jobs and industries, the work requirements of various occupations, the economic conditions of the community and the customary methods of obtaining work. His development of these issues serves its best purpose when it not only provides a proper unemployment insurance decision, but when it serves to improve the knowledge and information that would assist a claimant in securing employment. It serves its poorest purpose when the information is inadequately obtained or improperly applied, resulting in an incorrect decision, or when accompanied with so little concern for the feelings or the interest of the claimant involved that it discourages or depresses his continued search for suitable work.

The issues may include separations from work, refusals of work, the receipt of other income, fringe benefits, labor disputes, and employment status under various kinds of contractual wage agreements. The adjudicator must have an understanding of industrial practices, industrial relations, labor relations, and a reasonable understanding of the social, personal, and economic problems of people.

In addition to all these various kinds of specialized knowledge and information, the Claims Adjudicator must be especially skilled in oral and written communication. His principal investigative technique is interrogation. The development of an issue usually begins with his interview of a claimant. Because these interviews probe personal matters and incidents in which controversy has occurred, they are frequently begun under pressure and with some strained feeling on the part of the claimant. Hence, the examiner's ability to obtain a necessary fact depends upon his ability to minimize these competing factors. His effectiveness, therefore, depends upon adequate knowledge of psychology and motivation of people and questioning techniques that are productive both in acquiring information and keeping the interview effectively controlled.

In the process of investigation, the Claims Adjudicator must pinpoint the specific areas of information that must be developed. He must be able to distinguish factual information or statements from those which are nonfact conclusions, opinions, value judgments, or other forms of nonfact. He must resolve all inconsistent information during the interview, without antagonizing the claimant. He must quickly distinguish between background facts which may be developed only generally in the interest of time, and facts close to the issue which must be developed in specific detail. He must recognize the difficulties of understanding and gauge his conversation to the level of the interviewee, and listen for the full meaning of answers rather than simply rely upon the individual words or phrases. He must make adequate notes for a record of the interview to provide the basis for any further investigation and to support his written decision.

After conducting the factfinding interview with the claimant, the Claims Adjudicator decides whether it is necessary to seek information from other sources, and which sources are indicated in the particular case he is handling. He determines whether he should seek information from an employer, a union, the Employment Service, trade associations or other sources, and obtain the needed information by telephone, visit, correspondence, or observation. He not only determines what other sources of information he should use, but also how to use these sources effectively to obtain evidence which will be useful. He also determines when it is necessary to go back to any of these sources or to the claimant to afford opportunity for rebuttal and to reconcile or verify information previously obtained. Finally, he determines when there is no need for further investigation.

During the investigation he records all the pertinent information he obtains in such a manner as to clearly identify from whom, how, and when it was obtained.

He evaluates the information in the record and makes his finding of what the facts are in the form of a concise statement, summarizing all of the pertinent facts which serve to give an understanding to all interested parties and support his fact conclusions. These are clearly expressed along with any necessary explanation of how he arrived at these conclusions. He then applies the pertinent statutory provisions and agency policy to the facts to arrive at a legal conclusion, and provides adequate reasoning in his determination statement to give the parties to the issue a clear understanding of how the facts in the case support the legal conclusions.

The determination statement he prepares is expressed in clear, simple, and concise language in order that it may be readily understood, and avoids any statements which would be offensive or arouse emotional reactions. He writes his determination in a manner which not only conveys a clear understanding of what it is, but how it was reached.

In carrying out his responsibilities, the Claims Adjudicator makes effective use of the various technical tools and aids available to him. He makes use of the precedent manual, policy statements, handbooks on statutory provisions, and regulations and other source materials to determine what facts are pertinent, how they can be ob-

tained most effectively and how they are to be used, as well as how the law is to be applied to a given set of facts.

The direction of his fact investigations and the determinations he makes take into account the detailed and complex makeup of the labor force in the community he serves, the employment opportunities and hiring practices of the industries of the community, labor union practices, prevailing wages and other conditions of work. He draws upon this information in accordance with the issues he has to resolve, and readily identifies what background areas of information are pertinent to resolving particular issues. He also applies his knowledge of human behavior, including a reasonably good understanding of his own attitudes and subjectiveness, to maintain an objective and factual approach.

As he conducts his investigation and makes his determinations, the adjudicator promotes his acceptance by the parties of interest and the public as an adjudicator whose integrity, competence, and sense of fair play can readily be relied upon because he clearly demonstrates an objective approach, free of prejudice and attitudes which favor one party or another. He communicates effectively both orally and in writing, and his actions reflect a recognition of the positive values of the program in which he plays such a vital role.

Where a claimant wishes to contest a determination that has adversely affected his claim, the adjudicator explains the appeal rights and procedure and assists the claimant in preparing an appeal. In addition to his duties as a fact investigation and determination maker, the Claims Adjudicator may receive regular or special assignments to conduct periodic interviews or benefit rights interviews, or to provide information to claimants, employers or other members of the public who visit the agency.

In conducting a periodic interview, the adjudicator's objective is to examine in more detail, and for a period which covers more than the current week claimed, the claimant's attachment to the labor force, and his eligibility for benefits. This includes a careful review of the information in the claim record file, and pertinent questioning of the claimant in which the adjudicator relates the claimant's skills, training, experience, and other qualifications, and the kinds and conditions of work he is seeking or will accept, to the activities the claimant has engaged in to obtain such work and determines in light of existing labor force conditions whether the claim for benefits involves a nonmonetary issue which he should resolve. If the adjudicator is satisfied that there is no issue, he takes appropriate action to have a benefit payment processed for the current week claimed. An additional purpose of a well conducted interview is to assist the claimant to return to suitable employment as early as possible. The adjudicator draws from his knowledge of local employment activities and hiring practices to give the claimant pointers on how he may obtain work. He also is alert to recognize claimants in need of employment counseling or other services of the Employment Service and refers such claimants to the Employment Service.

In conducting the benefit rights interview, the Claims Adjudicator effectively describes to claimants who are filing initial claims what their rights and responsibilities are under the law which provides the benefits they are claiming. This is usually carried out in accordance with a well developed outline of content and an established method of presentation. The adjudicator answers any questions the claimants may ask concerning the employment security program based upon his extensive knowledge of the program, and provides informational material available in the local office. He gives special information which is pertinent to claimants who are seeking benefits under other than a State UI program. His presentation and his answering of questions are given in a manner which instills confidence in his knowledge of the program and promotes the good will of the claimants toward the program and the agency.

Issues Reflected in Recent Appeals Decisions*

Leaving Because of a Reprimand—Good Cause?

"I did not have to take that from him—so I left my job!"

"If she did not like the way I did my work, she could have told me so, instead of throwing things around!"

"He always criticized my work but never told me how he wanted it done!"

STATEMENTS LIKE THESE are often made to claims examiners and referees by claimants who have left their work because of a reprimand or admonition by their supervisor. It is, of course, the responsibility of a supervisor to inform a worker when his performance is not satisfactory. However, the employer's remark or action sometimes appears to be a reprimand, whether or not it is justified. The reprimand may be in stern though not necessarily abusive language, but it is usually necessary for the claims examiner or the referee to determine the ultimate fact of whether the language or action of the supervisor was such as to constitute a valid reason that would impel an ordinarily prudent person under like circumstances to terminate his employment.

Voluntary leaving of employment following a reprimand was considered by the Mississippi Supreme Court in its decision (No. 43,669) in the case of *Mississippi Employment Security Commission* v. *Mildred Rakestraw* (179 So. 2d 830, CCH-Miss. par. 8156) which reversed the Circuit Court of Union County. It affirmed the decision of the Mississippi Board of Review (No. 1252–R–63, Jan. 15, 1964) which reads in part:

Testimony offered at the hearing before the Referee shows that Imperial Shirt Company at Sherman, Mississippi, operates with Mr. Robert Rogers as its Manager. The testimony also shows that Mrs. Rogers, the wife of Mr. Robert Rogers, is also an employee of the Company and has some supervisory authority. Claimant's testimony shows that she obtained permission from Mrs. Rogers to be absent from work the entire day of July 15, 1963, for the purpose of enrolling her 6-year-old daughter in school. The testimony shows further that when Claimant reported for work on July 16 she was reprimanded by Mr. Rogers, the Plant Manager, concerning her absence from work on the previous day. A discussion which might be classified as an argument took place between Mr. Rogers and the Claimant concerning the matter; and the Claimant testified, among other things, Mr. Rogers made the following statement to her: "Since you weren't here yesterday, looks like I am going to have to release you." Claimant testified that after some further discussion Mr. Rogers then made this statement: "Well, Millie, just forget all this whole deal and go back to work." Claimant's testimony shows she did not accept that invitation to go to work and, instead, left the plant and went home. Testimony offered by the Employer shows that he did reprimand Claimant for being off from work; but she was not discharged, but instead quit. The Employer's testimony shows he did ask Claimant to continue working, but she refused to do so.

In holding that the claimant left work voluntarily without good cause, the Board said:

There is agreement in the record and testimony that she was reprimanded concerning her absence on the previous day. It may be that such a reprimand was not in order. This record will support a finding, however, that Claimant could have continued work had she wanted to; and she was aware of the fact she could have continued. There apparently was some misunderstanding, whether justified or not, as to the amount of time off Claimant had been granted. If the Claimant had been discharged by the Employer for taking off from work after she understood she had permission to do so, the Board of Review does not believe she would be subject to disqualification for benefits. She was not discharged, however, and as referred to above, left work at a time when she understood she could continue if she wanted to.

**Prepared in Division of Determinations and Hearings, Office of State Operations, Unemployment Insurance Service, Bureau of Employment Security.*

The Connecticut Unemployment Commission (Case No. 530–C–65, July 20, 1965) held that a housekeeper for a motel had good cause for leaving her work because of the conduct displayed by her supervisor. The pertinent facts as found by the Commissioner were as follows:

During the course of her employment, and particularly during the last few months thereof, the manager of the [motel] would scream and holler at her and complain in bitter terms about the fact that her payroll, in connection with the work done by the maids under her supervision, was excessive. In addition, he would bang his desk to emphasize his feeling and, on occasion, he would snap his fingers and whistle at her to attract her attention, conduct that irritated her exceedingly, particularly when it was done in the presence of others.

All told, she was unduly harassed by the manager to get out greater production than was possible by her to the point that she developed pain in the abdominal region and headaches.

The Commissioner held:

In this case, the claimant was subjected to pressures by her superior to the point that it upset her phyically and mentally, thereby justifying her quiting her job, as she did, on June 3, 1965.

In a Michigan referee decision (Appeal No. B–64–5507, Mar. 4, 1965) which was affirmed by the Michigan Appeal Board (Appeal Docket No. B–64–5507–33609, May 18, 1965), a claimant who had worked mostly as a janitor and maintenance man for a manufacturing concern, was held to have left work voluntarily without good cause attributable to the employer. The referee's decision read in part:

At approximately 11:30 a.m. his supervisor called him [claimant] into the office and criticized the manner in which he had been performing his work and gave him specific instructions as to what was expected of him. One of the items involved was the cutting of weeds around the plant. Another involved the careless manner in which he had cleaned the floors. It was established that the claimant had required constant supervision in the past.

There was a reference to the possibility that the claimant might be replaced unless his performance improved. The claimant made a statement to the effect that if he was not wanted he might as well go home. There was no answer from his supervisor. Shortly thereafter the claimant left the plant and did not return. He was considered as having quit and his name was removed from the payroll. In the course of the investigation the Commission received two letters which appeared to be signed by the claimant and contained many complaints as to the manner in which the claimant had been mistreated by his supervisor. One of these letters was treated by the Commission as a request for redetermination and the other was a demand for more prompt action on the part of the Commission. At the hearing the claimant denied any knowledge of the letters or that he had signed them. He did state, however, that he assumed they had been written by his wife. Among other things, the letters had accused the supervisor of using vile language in chastising the claimant. When carefully questioned at the hearing, the claimant denied that he had been mistreated in this manner by his supervisor. His objection to the supervision was directed mainly to the supervisor's persistence in constantly riding him. The supervisor, however, established that the claimant was the kind of worker who had difficulty in using his own initiative and required constant supervision in order to get the work done.

Although the claimant was a union member, he did not file a grievance following his separation, nor had he filed a grievance with respect to any mistreatment on the part of the supervisor.

In holding the claimant to have left his work voluntarily without good cause attributable to the employer, the referee concluded:

It is my finding that mistreatment on the part of supervision was not established. On the contrary, claimant required constant supervision. The supervisor may have become emphatic because of the necessity for repeating instructions, but there was no proof of profanity, vile language or unbearable conduct on the part of the supervisor. The claimant could have avoided much of this had he used initiative and followed normal instructions.

In another Michigan referee decision (Appeal No. B–64–5929, Jan. 8, 1965), which also involved a claimant who worked as a janitor for an apartment hotel, the referee found:

The facts are clear in this matter that claimant quit his job following his last day of work, November 7, 1964. Claimant, although reprimanded by the employer for not cleaning an apartment, was not discharged by the employer. The only question which remains to be decided was whether claimant left his work with good cause attributable to the employer.

With respect to this question, it cannot be found, in view of the testimony of record in this matter, that claimant was required to perform an excessive amount of work or any work other than for which he was employed. Under these circumstances, it cannot be found that the employer was seeking to exact extra work from the claimant and, therefore, it cannot be concluded that claimant left his work with good cause attributable to the employer.

However, the Appeal Board in its decision reversing the referee (Appeal Docket No. B64–5925–33367, Mar. 19, 1965) said:

The Appeal Board agrees with the Referee's finding that the claimant has not established good cause on the basis of excessive work or any work other than for which he was employed. The Appeal Board does find however that the entire record in this matter establishes that the claimant was continually criticized and demeaned by the employer during the course of his employment. The testimony of the claimant concerning such criticism and complaints is largely unrefuted by the employer. It is the opinion of

the Appeal Board that the employer's continued bickering and vitriolic criticism and complaints which were directed to the claimant gave him good cause attributable to the employer for his leaving.

Conditions of work are seldom, if ever, ideal in every respect; and at times a worker is expected to accept the manner in which instructions are given to him by his supervisor, provided the supervisor's conduct has not reached such a degree of abusiveness that it would impel an ordinarily prudent person to leave his employment. That there are degrees of tolerance is illustrated by the following Louisiana and California cases. In the Louisiana referee decision (No. 708–AT–65, Mar. 19, 1965), which was affirmed by the Louisiana Board of Review decision (No. 173–BR–65, Apr. 23, 1965), a claimant worked as an assistant manager for a mail-order house. The manager reprimanded her in unpolished language about her work performance and decorum on the job. The claimant testified that the manager used "a sharp and ugly tone." The referee found the claimant to have left her work without good cause connected with the employment, stating:

> In her discussion of the language used by the manager, there can be no finding of vituperative language of a severe nature to declare that the claimant's morals were subject to any danger. Under the circumstances it is found that the claimant left her employment because of sensitivity rather than for good cause connected with the employment.

Because of the aggravating conduct on the part of the supervisor, a contrary view was taken by a California referee in his decision (OAK–UCFE–11098, July 7, 1965) which involved a clerk-typist for a U.S. Air Force base who worked directly under a technical sergeant. She claimed that on numerous occasions, and in the presence of other persons, he yelled at her or spoke to her in a sarcastic manner or he accused her of having people directed to her who came to the office on official business. In answer to one of her questions, he said it was none of her business. When she offered to assist another coworker he stated in a loud voice that the claimant should not do the work of other people. All of this made her nervous. The referee stated:

> In the present case, the Federal agency reported that the claimant resigned giving as her reason "mental cruelty" and "overbearing supervisor." Although the Federal agency gave additional information about the claimant's work, it provided no information concerning the claimant's statements about her supervisor. The claimant's testimony in this respect is not in conflict with the findings of the Federal agency and it may be considered in arriving at a decision.
>
> According to the claimant's testimony her supervisor was abusive. Over a period of time he unjustifiably criticized her in a loud voice in the presence of other persons. The treatment received by the claimant from her supervisor was such that working conditions were unbearable, and she had compelling reasons for leaving work.

The problem of a reprimand is not limited solely to an individual worker and his immediate supervisor. A Massachusetts Board of Review decision (Appeal No. H–40929, June 10, 1965) concerned a supervisor who was reprimanded by *her* supervisor. In this case, the claimant was employed as an office manager with nine employees under her supervision. The Board found:

> The claimant's supervisor was frequently critical of the work performance in the claimant's section and at times expressed her dissatisfaction to the claimant in a brusque and peremptory manner. The criticism was always privately made. The claimant felt, due to the personnel shortages and other extenuating circumstances, her supervisor was not always fair to her, and she was aggrieved with the brusqueness of the supervisor's attitude toward her. In the last several months of work, the relationship between the claimant and her supervisor became increasingly strained.

On one occasion the claimant's supervisor told her in effect that the office was not a "country club" and that she expected the workers in the claimant's section to exhibit more productiveness. The claimant considered that the workers were performing to the best of their abilities. On another occasion the claimant's supervisor found some files not in order. She began instructing the claimant to have them put in order, when she was interrupted by a telephone call. The claimant was about to comply, when the supervisor returned and began repeating the instructions again. And then, with a profane expletive, she expressed dissatisfaction with the claimant's attitude. This upset the claimant and she told the supervisor she might as well leave. Later, she asked the supervisor what period of notice she desired. The supervisor told her no notice was necessary, and the claimant left at the end of the day.

In holding that the claimant left her work voluntarily without good cause, the examiner for the Board stated:

> A supervisor has the right to inquire into the work of those under his or her supervision and to establish whatever standards are deemed necessary for the successful conduct of the employer's business. Close supervision of the work of a subordinate or repeated criticisms constructively made are not justifiable causes for a worker to leave

otherwise suitable work. In the present case, with note having been taken of the single instance in which the claimant's supervisor used a profane expletive, it is found that while the claimant may not have been satisfied with her working conditions, she has not shown that the circumstances were of such a necessitous nature that she was compelled to leave her work.

A Florida referee in his decision (Docket No. 64–4660–U, Jan. 25, 1965) held that because the claimant did not go to the personnel department, as provided for under the employer's policy, she left her employment without good cause attributable to the employer. This was affirmed by the Florida Board of Review in its decision (No. 65–63, Mar. 23, 1965). The case involved a 50-year-old claimant who had worked as a corseter under the same supervisor for approximately 8 years. She testified she was continually criticized by her supervisor in the presence of customers. Her discussions with the supervisor about these actions toward her had only temporarily effective results, since she would again be criticized when she had done nothing to warrant the supervisor's remarks, but would not be criticized when she actually made a mistake. Because the supervisor's actions and remarks upset the claimant, she submitted her resignation. The referee held:

The testimony adduced in this case shows claimant voluntarily left her employment. It has also been shown that she took this action because she resented being criticized and embarrassed by her supervisor and became upset by her supervisor's actions toward her. Being upset by being criticized and embarrassed by her supervisor may have made appellant's job very unpleasant for her. Under the circumstances present here, however, this cannot be deemed to be a compelling and necessitous reason attributable to the employer for claimant to abandon her job. In this connection, it must be said that even though a worker may have a well-founded grievance which might be good cause for leaving employment, his voluntary leaving can hardly be justified unless he has taken advantage of every reasonable means of having his grievance adjusted. While appellant, here, spoke to her supervisor, she did not take her grievance to the personnel department for solution, as she knew she could do, in an effort to retain her job.

In a Minnesota Appeal Tribunal case (Appeal No. 573–B–65, May 12, 1965) the claimant, who worked as a seamstress for a garment manufacturer, was found to have left her employment with good cause attributable to the employer. The facts as stated in the decision were as follows:

Several weeks before her separation from work, the claimant was taken off her regular job and assigned to a special unit working on samples. This work involved sewing fur linings, a task with which the claimant was not familiar. Because of her unfamiliarity with sewing fur linings, the claimant made numerous mistakes for which she was berated by her supervisor. The claimant asked to be transferred back to her old job but apparently the employer did not have a seamstress of comparable skill, and the claimant's request was refused. The claimant had been working long hours, 6 days a week, and became increasingly upset over the unjust criticism she received.

When later her supervisor again renewed his criticism, the claimant left her employment. The Minnesota Appeal Tribunal in reversing the claims deputy, held that the claimant voluntarily discontinued her employment with good cause attributable to the employer, stating:

The claimant is apparently a skillful and very conscientious worker who was asked to take on a special assignment for the benefit of her employer. She was not familiar with the type of work she was called on to do and was certainly entitled to assistance in learning her new assignment. Instead of such assistance, however, she received only unwarranted criticism and harassment. Since she was not given the basic consideration which an employee has a right to expect of his employer, the claimant has shown a good cause for her voluntary separation from work.

These cases reflect a variety of situations that involved the question of whether a reprimand by an employer or supervisor provided an individual with good cause for leaving his work. Obviously, not every worker leaves his work when reprimanded by his employer, whether or not the reprimand was justified. Different people react differently to the conduct or actions of their supervisors. Some accept it as "part of their job" and tolerate it. Others may be disturbed and offended, some to a point where the employment becomes intolerable. When grievance procedures are established, should workers be required to follow them prior to leaving their jobs? Was there a reasonable basis for the supervisor's action or reprimand and was the supervisor's action excessive in the circumstances? What then should be the rule in determining whether there was good cause for leaving work? Should it be based on the reactions of the particular individual involved? Or should it be based on what "the ordinarily prudent person" would do if he found himself in the circumstances of the particular individual involved?

Unemployment Insurance Decisions*

Too Much Silver

California.—The claimant was hired by a gambling establishment with the specific understanding that she would be employed in a clerical capacity. Upon reporting to work, she was assigned the duties of a change girl and required to wear an apron that contained as much as 14 pounds of silver coins. Because she had previously suffered a serious back injury, these duties, requiring her to be on her feet for long periods of time as well as to carry the heavy change, caused her severe back pain. Once she fainted and lost 3 days from work because of the pain. Her request for assignment to general office work met with no response, and after 3 weeks she left. The referee concluded she had good cause for leaving not only because the employer had misrepresented her duties but also the clear necessity that she leave for reasons of health. (Case No. S–UCFE–33334, June 28, 1966.)

Echo of Ages Past

California.—The 22-year-old claimant had spent 3 years in the Army and had then worked as a masonry tender (nonunion) for 1½ years, mostly for his father and a friend. He wore his hair down to his shoulders and an earring in his right ear. A representative of the California Department of Employment informed him that unless he cut his hair and removed the earring he was limiting his opportunities for obtaining employment. He acknowledged that there was considerable objection on the part of employers, but he considered it a personal matter. He felt that because through the ages men had worn long hair for a longer period of time than they had short hair, he should continue to wear his hair long. The employment representative contacted two nonunion contractors, and both stated that they would not hire a man with long hair who wore an earring. The referee, in holding the claimant unavailable for work, pointed out that the majority of construction workers were unionized, so at best there was a limited demand for nonunion masonry tenders. He said that employers have a right to designate reasonable standards of dress and appearance for their employees. The claimant had materially lessened his prospects of obtaining employment by the style in which he wore his hair. (Case No. SD–UCX–8562, July 18, 1966.)

Excessive Zeal

Florida.—The claimant, age 46, was employed for about 5 months as a city police officer. Although he had no previous experience as a law enforcement officer, he passed satisfactorily through a probationary period. And after about 3 months on the job, he was given a pay raise. However, during the latter part of his employment he manifested a tendency to enforce the laws and ordinances within his jurisdiction more vigorously than required or desired by the city officials. He was cautioned, but when he appeared to be unable to exercise the requested restraint and judgment he was discharged. The appeals referee found that at no time during his employment did the claimant deliberately violate any specific instruction of a supervisor or any duty or responsibility arising from his contract of employment. An honest mistake in judgment, concluded the referee, does not constitute misconduct connected with the work. The claimant was not disqualified from benefits. (Docket No. 66–1584X, June 22, 1966.)

Leftover Liquor a Costly Drink

New Mexico.—The claimant worked at an inn as a relief dishwasher. After a private party held at the inn, the glasses containing leftover drinks were brought into the kitchen. The claimant had been off duty from 15 to 30 minutes, but he was waiting around for a coworker to leave so they could ride together. He drank the leftover liquor from one of the glasses; the employer found out; and he was discharged. "Drinking of intoxicants while on duty is considered misconduct in connection with the work," the appeals referee noted. "Drinking while off duty is not considered misconduct in connection with the work. However, in this case, the evidence shows that the claimant had just completed his tour of duty. He was still on the premises of the employer when the act occurred. He was still at his duty station, even though not on duty. . . ." The referee concluded the claimant was discharged for misconduct connected with his work. (Appeal No. 314–66–U, May 2, 1966.)

**Prepared in Division of Determinations and Hearings, Office of State Operations, Unemployment Insurance Service, Bureau of Employment Security.*

Telephones Not for Grandmother

New York.—The claimant had been considered for a position as a car-riveter and also for one as a clerk. He had accepted the job of car-riveter because he believed he would earn more money. However, after working for several weeks, he found out he would earn more as a clerk. Furthermore, he did not like the work he was doing. So he inquired about a transfer and was told to take a test. He received a qualifying grade and then was told it would be necessary to get a release from his present position before he could be taken on as a clerk. He obtained the release and then, for the first time, was informed he would have to have a phone in his home to be employed as a clerk. However, he was living with his grandmother who was unwilling to have a phone in her home. When he explained this to the employer, he was informed he could not be hired as a clerk. He inquired about the position of riveter and was reminded he had resigned. Initially, he was disqualified as a voluntary quit because he had failed to learn the terms and conditions of the new position before leaving the old one. The referee reversed this determination and granted benefits, pointing out that the employer had told the claimant to obtain a release from his position as riveter, and he had been informed only after the release was obtained that it would be necessary to have a phone in order to work as a clerk. (No. UCFE-348-66-N.Y., Aug. 1, 1966.)

Trends in the Economy*

THE NATION'S ECONOMY in August continued to be shaped largely by the factors that have been most prominent in recent months. Trends were mixed. Some key indicators, including industrial production, personal income, and retail sales, once again set new records; others, such as new orders for durable goods and housing starts, showed further slippage. Capital spending plans of private industry showed signs of slowing down as rising costs of financing for building and retooling of new plants prompted many executives to scale down new-capacity programs. The rate of gain for 1966 (as projected in the early August survey reports of the Department of Commerce–Securities & Exchange Commission on scheduled business plans) was only narrowly above the increase of 16 percent experienced in 1965. Prices continued to rise.

Employment also showed mixed trends—strength in some groups and weakness in others. Specifically, the job situation for workers with training and work experience continued to be excellent, but opportunities for the semiskilled and unskilled (many of whom are nonwhites) have been diminishing in recent months. Total employment (seasonally adjusted) moved up from July. However, since the labor force increased by approximately the same amount, the rate of unemployment was unchanged.

**Prepared in the Office of Program Reports and Research, Administration and Management Service, Bureau of Employment Security.*

Business Activities

Despite a continuing weakness in automobile output, the *index of industrial production* rose to a seasonally adjusted 158.3 percent of the 1957–59 average, compared with the 157.4-percent figure of July.

Most major components of the industrial output index showed gains. The largest rise occurred in the production of business equipment. An advance in manufacturing was shared by both the durable and nondurable sectors. In the durable sector, auto production, at 147,000 units, was the smallest for any month this year, well under the 314,000 units produced in August 1965. The measure of steel output, adjusted, was also lower. However, these declines were more than offset by increases in the other durable goods components, chiefly machinery and aircraft.

Compared with a year earlier, industrial production was about 9 percent higher. Manufacturing showed the largest increase—some 11 percent. Within this sector, the gain in durable goods output was moderately higher than the increase in nondurables. The utilities index was 8 percent above the year-earlier figure, and mining output was up by about 4 percent.

New factory orders for durable goods fell to a seasonally adjusted $23.1 billion in August, down by 4.5 percent from July. This was the steepest decline since the 4.9-percent drop in May 1963. Among the major components (most of which showed a reduction), the largest decline was in orders for the machinery and equipment group—down to $4.7 billion from July's $5.1 billion. (This category includes most nonelectrical machinery and shipbuilding and railway equipment.) Orders for defense products, including aerospace, communications, and ordnance, also moved down by $400 million, after a $300 million decline in July. In the transportation equipment sector, orders fell by $800 million to $5.8 billion, after a $300 million slide the month before. Primary metals orders moved down, dropping by $400 million to $3.7 billion.

Factory shipments of durable goods were lower than in July in every major group except transportation equipment, which rose by $100 million. Total shipments (seasonally adjusted) came to $22.7 billion, compared with $23 billion in the preceding month. Among the categories showing reductions, the largest declines were in primary metals (down $200 million to $3.9 billion) and machinery (down $100 million to $6.7 billion).

Since new orders topped shipments, the *backlog of unfilled orders* rose further at the end of August, to an adjusted $72.9 billion. This backlog is far above the $58.1 billion year-earlier level. The transportation equipment backlog held steady at July's $30.3 billion, while the machinery backlog rose by $500 million to $23.8 billion. The primary metals backlog declined by $200 million to $7.2 billion.

August outlays for all types of *construction* declined to a $72.8 billion annual rate (seasonally adjusted) from the $73.3 billion level of July. The August rate was more steeply below March's record $78.1 billion than any intervening month, and brought the pace down to about the October 1965 figure. Most of the decline was in the private sector, reflecting a continuing weakness in residential housing. In the public sector, spending also declined, but more moderately.

Compared with last August, spending for construction was up by $1.9 billion, or 3 percent. However, most of the increase reflected price advances. Expressed in terms of 1957–59 dollar values (to adjust for the effects of price increases), the physical volume of construction activities in August was 2 percent below the year before.

Housing starts continued to decline in August, moving down by 2 percent to a seasonally adjusted annual rate of 1,057,000 units. There were fewer starts in the North East and South regions. In the latter region, the volume of starts was 12 percent below the July figure. Housing starts have been down for about 2 years, but the declines in 1966 have been relatively sharp. From January through August, the volume of starts dropped by about one-third.

Permits for future home construction also slumped during the month, falling by about 12 percent to an annual rate of 808,000 units (seasonally adjusted). Permits were down in all regions, with the heaviest declines in the North, East and West. All major groupings showed over-the-month reductions. Permits for single family dwellings were issued at an annual rate of 492,000—down from the 543,000 level a month before. The permit rate for units in buildings to house two to four families edged down to 55,000 from 57,000 in July, while the rate for larger apartments (five or more families) dropped to 261,000 from 321,000. The August permit pace was 34 percent under the year-earlier figure, with sharp reductions in all major components.

No further expansion in *business spending* is expected to occur in the closing months of this year according to the most recent survey of business spending plans. Present plans indicate that 1966 as a whole will witness capital investment of nearly $61 billion. Such a volume would represent an increase of 17 percent over investments in 1965, which in turn showed an increase of 16 percent over 1964. The table below compares this year's plans with those of 1965 (in billions of dollars):

	Actual 1965	*Anticipated 1966*	*Percent change*
All industries	$51.96	$60.86	+17
Manufacturing	22.45	27.08	+21
Durables	11.40	13.96	+22
Nondurables	11.05	13.11	+19
Mining	1.30	1.46	+12
Railroad	1.73	1.96	+13
Other transportation	2.81	3.62	+29
Public utilities	6.94	8.16	+18
Commercial and others (including communication)	16.73	18.60	+11

Source: Department of Commerce–Securities & Exchange Commission Reports, August 1966.

Personal income, with the addition of medicare benefits, rose strongly to a seasonally adjusted annual rate of $585 billion. The $5 billion increase was the largest monthly increase since December 1965; medicare benefits added about $1.5 billion (annual rate), and the key wage and salary category increased by $3 billion. Within the latter component, the factory payroll segment advanced by $1.6 billion to $128.7 billion, after increasing by only $100 million in July. Higher employment, particularly among production workers in the metal, machinery, and transportation equipment industries, was a significant factor in the increase. Construction payrolls (and employment) declined over the month, reflecting the weakness in private residential construction. Compared with August 1965, personal income was $47 billion higher; $36 billion of this increase was in the wage and salary component.

Retail sales hit a peak in August, moving up $392 million to a seasonally adjusted volume of $25.9 billion. This was $347 million higher than the record set in March of this year, and $2.3 billion above the year-earlier figure.

Sales of both durable and nondurable items improved over the month; durables rose 2 percent to $8.3 billion, and nondurables moved up 1.5 percent. Improvement in auto sales contributed to August's high sales volume in the durable goods sector. Some 607,500 cars were sold during the month, only 4 percent under the August 1965 figure. This was the smallest over-the-year decline since auto sales began falling in April (sales in that month were off 5 percent from a year earlier); in May the decline was 10 percent; and in both June and July, the reductions were 7 percent. Some 5.7 million cars have been sold from January through August 1966, compared with 5.9 million in the same period in 1965.

Reflecting the pressures of the Viet Nam situation and higher labor costs, *wholesale prices* continued to advance in August. The index rose 0.4 percent from July to a record 106.8 percent (1957–59=100). During the month, an unusually sharp rise of 1.9 percent occurred in the food processing sector. In addition, prices in the farm sector moved up 0.3 percent; higher prices for eggs and milk were partially offset by a decline in fresh produce and a sharp drop in raw cotton which reflected the ending of support prices on the first of August. There was little change in the industrial commodities sector. Higher prices for fuels and machinery were counterbalanced by reductions in paper mills, household durables, and metals and metal products. (August was the first month this year in which prices for metal products showed no advance.) Compared with last August, wholesale prices of all commodities were up 3.8 percent; industrial commodities showed an increase of 2.4 percent.

Employment Developments

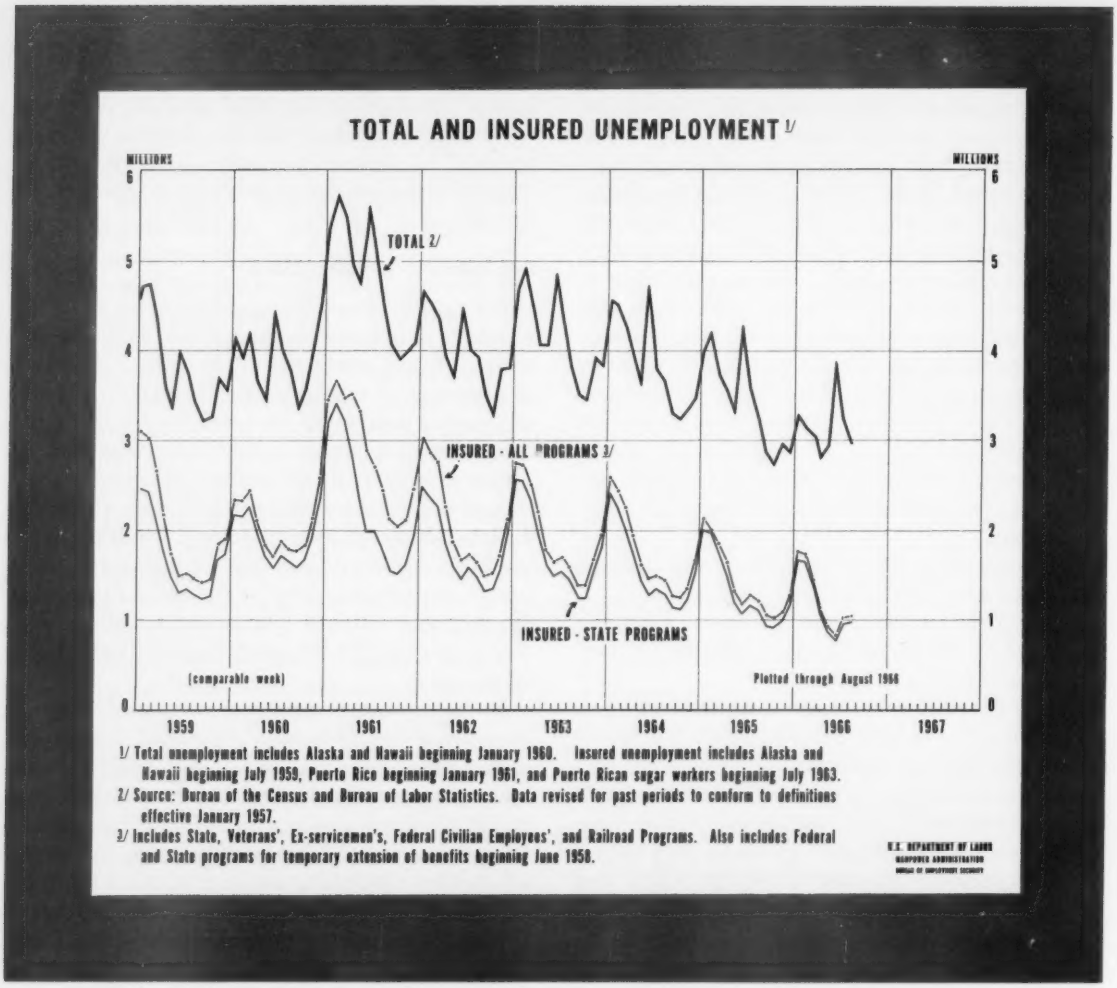
Total civilian employment in August remained virtually unchanged, edging down 42,000 to 76.4 million. On a seasonally adjusted basis, however, employment advanced by about 265,000. Almost all the gain occurred in the nonfarm sector. Agricultural employment was relatively unchanged.

Compared with a year earlier, total employment was some 2.2 million higher. Nonagricultural industries showed a gain of some 2.6 million, while the farm sector (in line with its long-term downtrend) registered a drop of 429,000. Included in the August-to-August increase were some 1.2 million teenagers, 757,000 adult women, and 235,000 adult men.

Nonfarm payroll employment totaled 64.6 million, some 287,000 above July and 3.3 million higher than a year ago. On a seasonally adjusted basis, the payroll gain between July and August was 210,000; advances in manufacturing and government accounted for most of the rise. Adversely affected by continuing declines in home building, construction employment (seasonally adjusted) dropped 43,000 to 3.2 million. A reduction in the transportation and public utilities sector resulted from the effects of the airline strike (still in effect during the mid-August payroll period).

Manufacturing employment climbed by 150,000 to a seasonally adjusted 19.3 million. (In July, employment in this sector had dropped by 30,000, largely because of the early model-changeover period in the automobile industry.) Almost all of the August increase occurred in the five major metals and metal-using industries, with transportation equipment showing the largest single rise. Employment in the nondurable goods industries also rose, but by only 8,000. Advances in the apparel, printing-publishing, and leather industries more than offset losses in food processing, tobacco, and textile manufacturing.

During the summer (June through August), there was a sharp improvement in the teenage job picture. The number of 16- to 19-year olds em-


TOTAL AND INSURED UNEMPLOYMENT 1/
MILLIONS
MILLIONS
6
5
4
3
2
1
0
TOTAL 2/
INSURED - ALL PROGRAMS 3/
INSURED - STATE PROGRAMS
(comparable week)
Plotted through August 1966
1959
1960
1961
1962
1963
1964
1965
1966
1967
1/ Total unemployment includes Alaska and Hawaii beginning January 1960. Insured unemployment includes Alaska and Hawaii beginning July 1959, Puerto Rico beginning January 1961, and Puerto Rican sugar workers beginning July 1963.
2/ Source: Bureau of the Census and Bureau of Labor Statistics. Data revised for past periods to conform to definitions effective January 1957.
3/ Includes State, Veterans', Ex-servicemen's, Federal Civilian Employees', and Railroad Programs. Also includes Federal and State programs for temporary extension of benefits beginning June 1958.
U.S. DEPARTMENT OF LABOR

ployed, at 7.3 million, was 1.0 million, or 16 percent, higher than the average in the summer of 1965. Almost all of the improvement occurred among white teenagers, as their employment rose by 900,000. Considering all of the 16- to 19-year olds (both those in the labor force and those not looking for work), about 55 percent of the whites were employed during these 3 months, as compared to about 40 percent of the nonwhites.

In August, *the average workweek* for manufacturing workers moved up 0.2 hour to 41.3 hours; a year earlier, the workweek was 41.1 hours. Although the factory workweek was down from the high of 41.5 hours recorded from February through May, it set a record for the month. August *overtime hours*, at 3.8 hours, remained unchanged over the month; but this figure was 0.3 hour above that registered in August 1965. *Average hourly earnings* of factory production workers, at $2.69, edged down by 2 cents from July—10 cents under the figure of a year earlier. *Average weekly earnings*, reflecting the slight decline in hourly wages, fell by 28 cents over the month to $111.10, about $4.65 above the amount in August 1965.

Unemployment Developments

Total unemployment, at 2.9 million in August, was down over the month by 304,000, or 9 percent—about the usual decline for this time of year. As a result, the seasonally adjusted unemployment rate held at 3.9 percent. Since the beginning of the year, the jobless rate has hovered between 4.0 and 3.7 percent. Among adult men, the unemployment rate was down to 2.5 percent from 2.6 percent in

the preceding month; however, the rate for adult women moved up to 3.9 percent from 3.7 percent. The teenage rate fell to 11.6 percent, the lowest for the month since 1957; in July, the rate was 12.2 percent.

Since August 1965, unemployment has dropped by 337,000 and nearly all worker groups have benefited. The largest gains occurred among adult men and highly skilled workers. Thus far in 1966, unemployment rates have continued at low levels (between 2 and 3 percent) for men 20 years of age and over, married men, white-collar workers, and skilled blue-collar workers. In contrast, the rates for teenagers and for semiskilled and unskilled blue-collar workers have remained at high levels during the January through August period, but they were still below the levels of the comparable period in 1965.

Among nonwhite workers, however, joblessness has been increasing in recent months. This August the rate was 8.2 percent, compared with 7.9 percent in both July and June, 7.6 percent in May, 7.0 percent in April, and 7.7 percent in August 1965. Among nonwhite teenagers, chronic unemployment has been persistent over the years. The following table indicates their unemployment rates for the summer months (June through August) of the 1962–66 period, compared with the rates of white teenagers during the same period.

UNEMPLOYMENT PERCENTAGE RATES OF YOUTH AGE 16–19, JUNE–AUGUST AVERAGES 1962–66

	Nonwhites	*Whites*
1962	23.6	14.0
1963	33.2	16.7
1964	32.0	15.4
1965	27.0	14.3
1966	27.5	12.1

The weekly average of *insured unemployment* dropped seasonally between July and August by 18,500 to a weekly average of 928,400. This was some 193,000 below a year ago and the lowest August figure since 1953.

Widespread recalls following the vacation period, along with the start of seasonal hiring in food processing and apparel plants, were chiefly responsible for the over-the-month decline in insured joblessness. On the other hand, there were further automobile model-changeover layoffs and a sharp increase in joblessness among Puerto Rican sugarcane workers.

The national rate of insured joblessness (not seasonably adjusted) at 2.0 percent was the lowest for any August since World War II. The rate was 2.1 percent in July and 2.5 percent last August. As usual for this time of year, Puerto Rico reported the highest rate, 6.2 percent. Four States (California, Delaware, Michigan, and Nevada) registered jobless rates of more than 3.0 percent. Rates of less than 1.0 percent occurred in nine States, with Iowa, New Hampshire, and Virginia showing the lowest (0.6 percent in each).

Thirty-four States and the District of Columbia reported lower volumes of insured unemployment in August than in July. In nearly all cases, the reductions were small; only New York showed a reduction of more than 9,000. The 24,300 decline in that State reflected in large measure a seasonal drop in unemployment among apparel workers, as well as less joblessness among construction workers. Most of the increases in insured unemployment in the States that showed larger volumes from the preceding month were small. Michigan and Puerto Rico, however, reported sharp advances—up by 21,200 and 17,300, respectively. These increases were attributed to the slowdown in the automobile industry during the model-change period in Michigan, and to seasonal layoffs among sugarcane workers in Puerto Rico.

Compared with a year earlier, insured joblessness was lower in all States except Delaware, Georgia, Idaho, Michigan, Missouri, and North Dakota. Only in Michigan was the increase sizable (11,100), resulting from a different scheduling of model changeovers this year. California's drop of 39,000, the largest in the Nation, stemmed chiefly from less unemployment among workers in the nonmanufacturing sector, mainly the public utilities, trade, and services industries. The second largest reduction, 27,900, occurred in New York, followed by Pennsylvania and Illinois with declines of 14,600 and 11,600, respectively.

ERRATUM

The last paragraph of the article "Trends in the Economy, January–June 1966" appearing on page 9 of the July 1966 issue of the Unemployment Insurance Review *should have read: "The national rate of insured unemployment moved down from 1.9 percent in May to 1.8 percent in June—the lowest for any month except October 1952, when it was also 1.8 percent."*

Insured Unemployment*

DURING AUGUST, seasonal hiring at food processing and apparel plants and continued recalls after vacation periods were largely offset by further layoffs at automobile plants for model changes and by a sharp climb in joblessness among Puerto Rican sugarcane workers. As a result, the volume of insured unemployment showed little change between July and August, moving down seasonally by 2 percent, or 18,600, to a weekly average of 928,400. On a seasonally adjusted basis, the insured unemployment level remained unchanged at 1.1 million; a year earlier, the adjusted level was 1.3 million.

Insured joblessness under the two Federal programs showed divergent movements. Under the UCX program for ex-servicemen, the average weekly volume rose by 100 to 18,800, while the UCFE program for former Federal civilian employees moved down, by 1,300, to an average of 17,500 per week. A year ago, the average volumes were 33,000 and 20,700, respectively.

The August insured jobless rate of 2.0 percent (not seasonally adjusted) for the Nation as a whole was down from 2.1 percent in July and 2.5 percent in August 1965. As usual for this time of year, Puerto Rico reported the highest rate, 6.2 percent. Four States (California, Delaware, Michigan, and Nevada) registered jobless rates of more than 3.0 percent. Rates of less than 1.0 percent were reported in nine States; Iowa, New Hampshire, and Virginia showed the lowest—0.6 percent in each.

Minor Changes in Most States

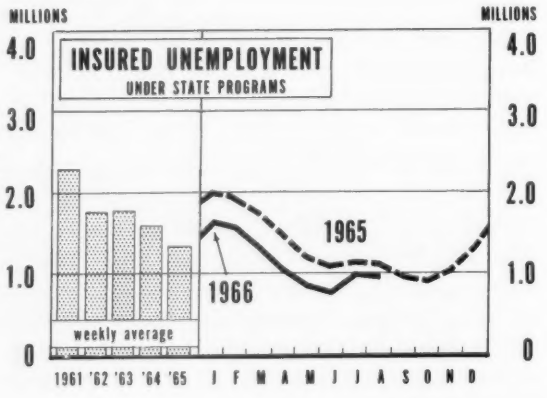
Thirty-four States and the District of Columbia registered lower volumes of insured unemployment in August than in July. In nearly all cases, however, the reductions were small. New York was the only State to show a decline of more than 9,000; in only three other States—Pennsylvania, Ohio, and Massachusetts—did the decreases amount to as much as 6,000.

In *New York* a decline of 24,300, or 16 percent, lowered that State's weekly average to 131,900. The drop chiefly reflected the usual seasonal upswing in apparel manufacturing, as plants started work on their winter lines. Compared with a year earlier, insured unemployment was down by some 27,900, or 17 percent. Nearly two-thirds of the over-the-year reduction was among workers from nonmanufacturing industries, most notably public utilities, trade, and services.

Pennsylvania reported an over-the-month decline of 9,000, or 16 percent, largely attributable to the seasonal pickup in the apparel and tobacco industries. Small improvements were also noted in a number of other manufacturing industries. Compared to August 1965, insured unemployment was down by 14,600, with less joblessness among workers from every industry except ordnance, food processing, tobacco, rubber, transportation, and public utilities.

Insured unemployment moved down by 7,300 in *Ohio*. The recall of workers at automobile assembly plants following the model-change period was the primary factor in the lower volume. From August 1965, the volume had dropped by 8,800. The decline reflected less unemployment among workers from textile and fabricated metals manufacturing, and from the trade and services industries.

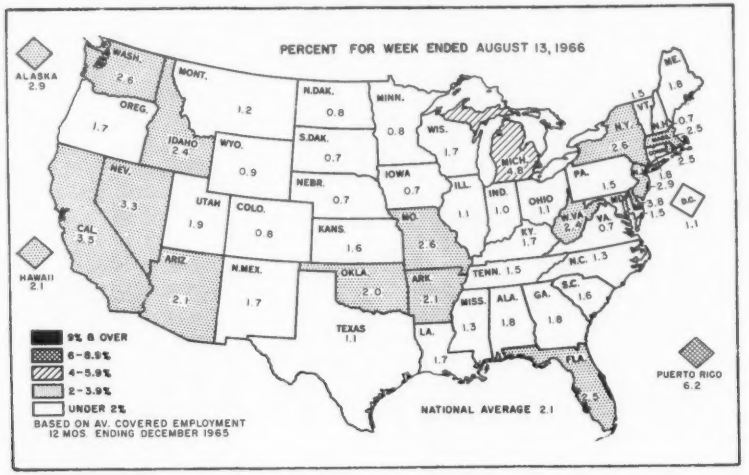
In *Massachusetts* more than nine-tenths of the net drop of 6,200, or 14 percent, occurred among manufacturing workers, with the sharpest de-



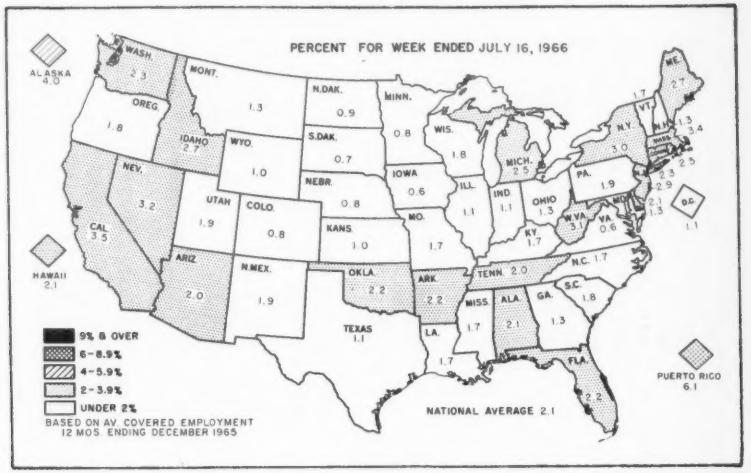
Prepared in the Office of Program Reports and Research, Administration and Management Service, Bureau of Employment Security.

STATE INSURED UNEMPLOYMENT AS PERCENT OF AVERAGE COVERED EMPLOYMENT

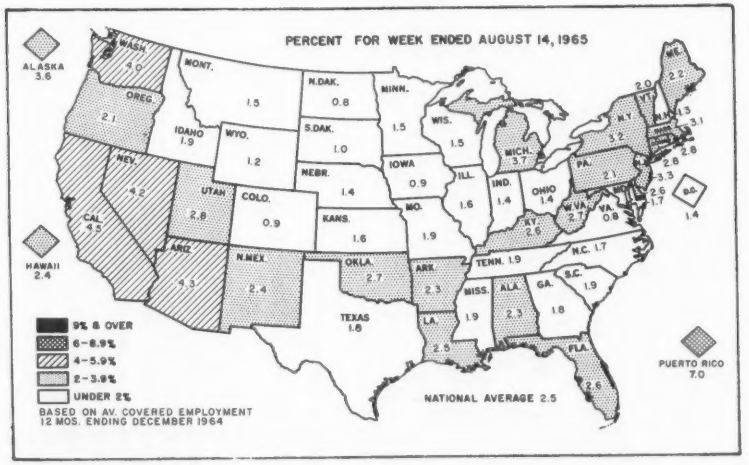
LATEST MONTH



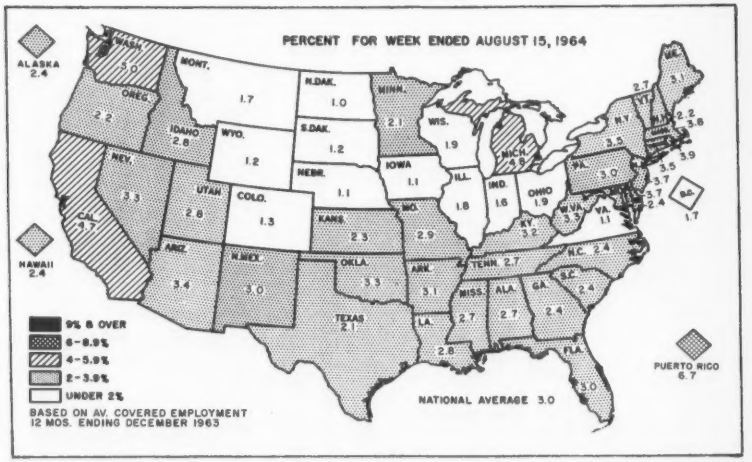
PREVIOUS MONTH



ONE YEAR AGO



TWO YEARS AGO



Week ended—	Initial claims [1]		Insured unemployment [1]	
	1966	1965	1966	1965
July 2	188, 500	236, 400	787, 200	1, 049, 500
July 9	282, 900	307, 400	924, 500	1, 176, 800
July 16	245, 900	256, 400	963, 200	1, 176, 400
July 23	252, 300	231, 900	947, 600	1, 126, 100
July 30	226, 300	216, 900	984, 700	1, 112, 500
August 6	227, 300	244, 900	1, 020, 200	1, 120, 600
August 13	178, 800	219, 100	978, 300	1, 133, 100
August 20	157, 500	210, 600	926, 300	1, 128, 600
August 27	143, 700	198, 100	866, 900	1, 118, 700
September 3	145, 400	181, 500	800, 300	1, 065, 500
Weekly averages				
July	248, 900	251, 600	947, 000	1, 139, 000
August	172, 700	214, 800	730, 600	980, 900

[1] Refers to State programs.

clines among leather and apparel workers. Compared with a year earlier, insured unemployment was off by 7,600, reflecting an employment expansion in electrical equipment, fabricated metals, and apparel manufacturing, and in trade activity.

Although reporting only a nominal over-the-month change, *California* topped the list of States showing over-the-year reductions. The drop (39,200, or 20 percent) was broadly based, since joblessness declined among workers from nearly every industry. The most substantial reductions, however, were among workers from trade, electrical equipment, and food processing.

Claimant Exhaustions

During August, approximately 937,400 persons discontinued filing under the State unemployment insurance programs, compared with some 1.2 million in the preceding month, and 950,000 a year earlier. Approximately 57,400, or 6 percent, of these claimants had exhausted their benefit rights. The August total was little changed from July, but was 21,600 below the figure of a year earlier. In the first 8 months of the year, exhaustions totaled 572,500, compared with 804,000 for the same period in 1965.

Benefit Payments

The amount of benefit payments under all programs moved up sharply in August, rising by 26 percent, or $31.0 million, to a total of $152.0 million. Of this total, $143.1 million was issued under State programs, $29.2 million above the July amount. The rise largely reflected increased payments to workers from the automobile industry (especially in Michigan) idled during the model-change period. Under the railroad program, benefit payments totaled $2.5 million. Payments under the two Federal programs (UCX and UCFE) amounted to $6.4 million.

The weekly benefit check for totally unemployed workers averaged $40.65. This marked the first time that the average check has reached the $40 mark. The highest weekly benefit payments (over $45) were paid in Michigan ($51.80), Wisconsin ($49.62), California ($48.80), Delaware ($48.39), and Hawaii ($45.20). The lowest (less than $26) were in Puerto Rico ($17.71), West Virginia ($25.35), and Mississippi ($25.43).

Approximately 8 percent of all unemployment benefit checks were for partial unemployment. The proportions of partially unemployed claimants continued to vary widely from State to State, with the highest proportions in South Dakota (26.4 percent) and Pennsylvania (19.8 percent). For the Nation as a whole, the average partial unemployment check was $24.03; in July, the average was $24.22.

Activity [1]	Number or amount	Percent change from—		January–August cumulative (in thousands)	
	August 1966	July 1966	August 1965	1966	1965
Initial claims [2]	825, 600	−19. 0	−15. 4	7, 046	8, 206
Weeks claimed [2]	4, 466. 300	+20. 2	−10. 0	39, 973	50, 712
Insured unemployment (weekly average) [2]	928, 400	−2. 0	−17. 1	1, 155	1, 466
Beneficiaries (weekly average)	791, 000	+10. 0	−12. 2	992	1, 271
Benefits paid [3]	$143, 058, 100	+25. 7	−3. 4	$1, 300, 476	$1, 607, 434
Claimant exhaustions	57, 400	+0. 7	−27. 4	573	804

[1] Data relate to State programs only.
[2] Includes agent State claims taken by the Virgin Islands; also includes data under Puerto Rico sugarcane program.
[3] Monthly data represent gross amount; cumulative data represent net amounts.

SELECTED UNEMPLOYMENT INSURANCE STATISTICS, STATE PROGRAMS
AUGUST 1966

State	Initial claims received 1/ 2/	Weeks claimed 2/	Number of insured unemployed (weekly average) 3/	Number of beneficiaries (weekly average) 3/	Average weekly payments for total unemployment	Number of final payments 4/	Benefits paid 5/	12 months ending August 1966 (in thousands)		Funds available August 1966 7/ (in thousands)
								Benefits paid 6/	Collections and interest	
Total	8/ 825590	8/ 4466289	8/ 928445	791047	$40.65	57.364	$1430581.44	$1859046	$332808.4	$9649350
Alabama	8891	52583	10860	8637	39.55	1199	1157706	17173	3092.0	103061
Alaska	1047	5808	1141	1065	39.77	116	192477	6580	1044.9	10/ 18132
Arizona	5850	26766	5586	4414	36.42	401	729680	11348	1726.7	71463
Arkansas	4980	33230	6766	5244	29.99	545	678284	9866	1760.2	39044
California	140736	723854	154234	138124	49.80	11306	30516491	9/ 435091	55533.3	829957
Colorado	3381	14470	2969	2175	43.77	214	423062	9139	1800.3	69356
Connecticut	12681	63740	12987	10759	40.13	1075	1950424	27602	6453.3	238539
Delaware	1820	23739	4785	6011	49.39	115	1286506	5720	767.5	25576
Dist. of Col.	1987	16083	3438	3247	41.45	206	615754	7783	1105.0	67831
Florida	15022	126043	26401	22263	28.25	2067	2852751	17808	4149.9	201387
Georgia	10673	68843	16594	13125	33.62	1027	1949661	13628	4197.5	219419
Hawaii	2228	18756	3991	3520	45.25	230	696792	6959	1175.2	27457
Idaho	1565	15751	3065	2585	36.12	4	416229	5571	1040.9	35406
Illinois	24204	140931	28862	25366	41.53	2446	4724491	75920	11075.6	569653
Indiana	18203	68755	12123	10777	35.14	980	1722690	22027	5798.4	215838
Iowa	2737	14365	2937	2179	36.90	250	347099	7681	1369.1	121435
Kansas	5505	24308	5236	4216	39.99	311	755928	10554	1904.5	78757
Kentucky	8409	42191	8920	5972	33.19	862	859511	15982	2969.5	133899
Louisiana	7910	49154	10309	9037	33.05	1012	1328987	20300	4046.5	145044
Maine	2541	17976	3638	3163	32.18	191	444126	6078	1114.3	39083
Maryland	12003	48086	11027	9458	39.94	382	1650146	24514	5508.5	203405
Massachusetts	29626	184666	39418	35515	40.94	3043	6321276	89326	14738.2	280864
Michigan	85252	440188	84370	75869	51.89	2226	17873241	77259	19471.6	10/ 512883
Minnesota	5508	29775	6495	5097	29.64	467	676069	20500	3767.6	43005
Mississippi	3063	19517	4004	3137	25.43	379	357539	6248	1798.6	71038
Missouri	32040	113768	24592	17829	39.64	848	2974254	29449	5377.1	260153
Montana	1179	6677	1325	1097	30.26	175	155069	5253	635.8	20586
Nebraska	1717	8512	1854	1650	33.44	225	246650	6557	915.5	44188
Nevada	3600	17773	4101	3716	42.55	350	713634	11004	1126.9	30259
New Hampshire	1483	5224	1025	670	37.26	1	104803	8201	837.3	35419
New Jersey	36360	221059	45969	43895	40.75	3726	7969418	109616	15580.0	363088
New Mexico	3370	13699	2865	2406	30.61	142	330416	6281	815.8	37227
New York	116193	648768	131925	124674	42.21	7429	22980557	331658	49089.2	1446943
North Carolina	11540	67529	12914	11953	27.32	1005	1440697	21584	5403.4	267776
North Dakota	310	3210	568	559	36.87	69	93559	5568	568.2	6999
Ohio	27607	140093	26118	23943	40.70	989	4404354	58998	19848.4	485914
Oklahoma	5128	37532	8310	5565	26.65	561	670309	11145	1753.8	55231
Oregon	13829	38766	8633	6198	35.14	478	979688	19287	3628.8	111873
Pennsylvania	48395	220498	46666	43273	33.34	2172	6106571	95596	31572.9	10/ 800044
Puerto Rico	9/ 30604	8/ 183313	8/ 43572	12435	17.71	2070	1042382	9/ 16083	2285.0	64584
Rhode Island	5863	33710	6347	6146	37.00	554	1003612	12039	2213.5	65315
South Carolina	9087	37323	7787	5940	31.08	667	831972	9705	2502.5	110301
South Dakota	354	2675	530	334	29.31	41	40110	1933	273.5	15594
Tennessee	7096	53108	10859	8832	29.47	964	1147227	18989	4963.1	134830
Texas	16315	104881	21647	17709	30.74	2174	2457921	33297	6503.1	283272
Utah	2790	18197	3794	2863	36.47	252	473634	9591	1195.3	39645
Vermont	936	6111	1242	1022	34.73	68	151541	3300	923.4	13600
Virginia	4898	24363	5227	3607	30.09	480	489257	7686	2469.1	163884
Washington	14700	78300	16590	13827	30.94	4	1949893	34924	6977.9	250423
West Virginia	5712	36325	7548	5574	25.35	405	627160	10304	1819.6	70426
Wisconsin	10142	78410	15712	13952	49.62	417	3078712	34048	5685.0	235485
Wyoming	478	2663	570	422	36.00	42	67824	2313	436.9	11761

1/ Excludes transitional claims.
2/ Total includes claims taken as agent State by the Virgin Islands.
3/ Weekly data are adjusted for split weeks in the month on the basis of a 5-day work week.
4/ A final payment is the payment for the last week of compensable unemployment in a benefit year, and indicates the exhaustion of benefit rights by a claimant for that benefit year. Because of the time lapse between the actual week in which the unemployment occurs and the date on which final payment is made the monthly total includes some claimants who exhausted their rights in the preceding month but received their final payment in the reported month, and excludes some claimants who exhausted their rights in the reported month but will not receive their final payments until the succeeding month. Workers who exhaust their rights may be entitled to additional benefits when the following benefit year begins. The number of exhaustions is not indicative of the number who are still unemployed as some will have obtained employment and others may have withdrawn from the labor force.
5/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan. Includes $35,480 in payments under extended duration provisions of State laws in Puerto Rico.
6/ Adjusted for voided benefit checks and transfers under interstate combined-wage plan.
7/ Includes amount credited to States' accounts in the unemployment trust fund, less withdrawals by the States, under the provisions of the Employment Security Administrative Financing Act of 1954.
8/ Includes data under the program for Puerto Rican sugarcane workers.
9/ Includes payments made under State temporary extended benefit provisions.
10/ Funds available reflect an advance from Federal account in Unemployment Insurance Trust Fund.

NOTE.—A separate monthly report, *Unemployment Insurance Statistics*, provides more detailed data on unemployment insurance activities. Copies of *Unemployment Insurance Statistics* are available upon request to Unemployment Insurance Service, Bureau of Employment Security, U.S. Department of Labor, Washington, D.C. 20210.

Selected Unemployment Insurance Statistics, Federal Programs [1]
August 1966

State	UCFE					UCX				
	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/	Initial claims received 2/	Weeks claimed	Number of beneficiaries (weekly average)	Benefits paid 3/	Average weekly payments for all unemployment 4/
Total	8456	83658	17138	$3238673	$41.08	16211	90715	17543	$3203514	$39.70
Alabama	194	1509	270	40054	32.22	273	1831	332	52659	34.51
Alaska	80	1136	277	50974	39.98	37	185	37	8293	49.36
Arizona	120	1509	326	59338	39.61	212	1386	240	43928	39.83
Arkansas	63	707	119	16923	30.83	115	644	119	18922	34.65
California	1516	15250	2863	711315	54.01	3253	18970	3613	791584	47.63
Colorado	47	584	115	24327	46.07	170	763	141	28246	43.59
Connecticut	36	558	104	21238	44.52	145	546	94	17245	39.83
Delaware	13	100	12	2411	44.65	34	179	38	6948	39.25
Dist. of Col.	226	3373	833	173662	45.31	73	478	95	18101	41.61
Florida	169	1267	169	22109	29.49	349	1570	263	38065	31.51
Georgia	203	1378	268	42151	34.19	291	1329	305	50838	36.26
Hawaii	73	1037	284	61834	47.38	144	1051	214	50705	51.58
Idaho	21	163	23	4198	40.37	44	228	40	7378	39.88
Illinois	397	3065	573	93266	35.37	520	2199	398	72597	39.65
Indiana	87	669	123	20698	36.44	272	1058	166	28385	37.15
Iowa	47	261	74	13675	40.33	75	425	75	15894	45.80
Kansas	45	376	71	13200	40.37	117	545	108	21171	42.77
Kentucky	105	1084	198	29244	32.14	416	2541	513	89519	37.93
Louisiana	133	1425	246	40152	35.47	235	1673	291	50391	37.69
Maine	21	258	59	9652	35.49	39	211	35	6059	38.11
Maryland	120	842	144	26614	40.14	372	1112	273	51526	41.06
Massachusetts	169	5454	1363	299080	47.68	346	2345	523	109225	45.42
Michigan	153	1379	334	62921	40.91	804	4215	838	164360	42.62
Minnesota	60	511	128	16936	28.71	167	833	195	35227	37.04
Mississippi	90	824	172	21308	26.97	66	407	72	9755	29.56
Missouri	220	1317	240	37848	34.28	379	1987	404	70412	37.92
Montana	31	355	67	9716	31.75	27	138	28	4205	33.11
Nebraska	48	607	143	25017	34.98	41	170	35	5912	36.27
Nevada	53	417	92	17949	42.33	79	305	73	14520	43.47
New Hampshire	5	79	12	2269	42.02	50	100	16	3393	46.48
New Jersey	302	2058	402	81214	43.97	518	3145	637	124175	42.38
New Mexico	101	605	116	17206	32.22	189	885	161	24970	33.70
New York	859	9140	1867	366033	42.63	1025	5507	1008	178078	39.39
North Carolina	125	1611	298	45782	33.37	236	1199	233	41966	39.18
North Dakota	21	177	37	6855	40.80	21	113	20	3333	37.03
Ohio	333	1723	452	79940	38.45	683	3203	480	86900	39.32
Oklahoma	93	1164	215	28836	29.13	110	1328	231	32613	30.68
Oregon	118	645	139	21922	34.31	239	779	135	25161	40.65
Pennsylvania	567	4749	900	152484	36.85	1314	6400	1235	200265	38.79
Puerto Rico	84	873	200	20244	22.03	204	4037	863	118487	29.85
Rhode Island	31	535	120	25366	45.95	97	524	108	21427	43.03
South Carolina	64	644	117	16643	30.88	133	777	155	26356	37.02
South Dakota	20	311	55	8514	33.79	22	177	25	3951	34.35
Tennessee	204	1778	424	57869	29.68	288	2331	537	73365	29.70
Texas	317	3425	686	103514	32.80	645	4607	992	163713	35.89
Utah	63	968	179	31215	37.97	97	532	94	15941	36.99
Vermont	17	175	35	6774	42.07	19	97	13	2483	41.38
Virginia	105	636	95	13894	31.65	166	678	105	16648	34.54
Virgin Islands	0	4	0	0	0	1	4	1	170	42.50
Washington	358	3913	910	156311	37.36	496	1681	307	54982	38.91
West Virginia	43	308	57	5573	21.43	281	1639	337	49223	31.74
Wisconsin	77	638	120	21800	39.42	256	1562	278	52578	41.17
Wyoming	11	84	13	2605	42.02	26	86	19	3266	37.98

1/ The programs for Federal civilian employees (UCFE) and for ex-servicemen (UCX), established under Title XV of the Social Security Act, became effective January 1, 1955 and October 27, 1958, respectively. Data exclude information on claims filed jointly with State unemployment insurance programs.

2/ Includes transitional claims.

3/ Unadjusted for voided benefit checks and transfers under interstate combined-wage plan.

4/ Includes data for total, part-total, and partial unemployment. Separate data for total unemployment are not available.

Income-Maintenance Program Operations
All Programs

	1966		1965	
	May	April	May	April
Total Public Income-Maintenance Payments (millions)	$3,484	$3,463	$3,085	$3,174
Old-age, survivors, and disability insurance	1,687	1,654	1,413	1,413
Railroad and public employee retirement	1/555	1/552	1/487	1/485
Unemployment insurance, temporary disability insurance, workmen's compensation, training benefits (ARA and MDTA)	2/356	2/385	2/371	2/443
Veterans' compensation and pension programs	368	374	356	367
Public assistance	518	498	458	466
Old-Age, Survivors, and Disability Insurance				
Total beneficiaries (thousands)	21,633	21,423	20,068	20,034
Retired workers	11,394	11,301	10,801	10,788
Survivors and dependents	9,197	9,091	8,334	8,322
Disabled workers	1,042	1,032	933	926
Total monthly benefits (millions)	3/$1,573	3/$1,559	3/$1,351	3/$1,348
Retired workers	958	951	842	840
Survivors and dependents	513	507	424	423
Disabled workers	102	101	85	84
Public Assistance				
Total recipients (thousands)	8,124	8,235	8,213	8,316
Federally aided programs	7,515	7,586	7,524	7,556
Aid to families with dependent children--children	3,435	3,466	3,352	3,375
Total recipients	4,547	4,595	4,470	4,506
Old-age assistance	2,109	2,104	2,151	2,152
Other federally aided programs	1,457	1,256	905	898
General assistance: Cases	290	302	325	345
Recipients	609	649	689	760
Total payments (millions)	4/$518	4/$498	4/$458	4/$466
Federally aided programs	486	466	427	432
General assistance	21	21	21	23

1/ Data not comparable with earlier reports. Effective January 1964, Federal noncontributory and State and local retirement systems previously included with the data for unemployment insurance, temporary disability insurance, and workmen's compensation are included with railroad and public employees retirement systems.
2/ Data for temporary disability insurance and workmen's compensation include estimated payments made by private insurers and self-insurers in accordance with law.
3/ Current payment status, excludes lump sum and retroactive payments and adjustments for over and under payments.
4/ Total exceeds sum of items because of inclusion of vendor payments, not shown in detail.

Temporary Disability Insurance Activities Under State and Railroad Programs

	First claims received		Weeks compensated		Benefits paid		Benefits paid	
	June 1966	May 1966	June 1966	May 1966	June 1966	May 1966	June 1965	May 1965
California								
State plan								
Basic benefits	52,001	50,908	304,281	289,506	$16,894,521	$16,037,621	$16,508,058	$14,596,030
Additional hospital benefits	1/31,128	1/30,017	2/222,871	2/214,381	2,674,452	2,572,572	4,120,248	384,168
Private plan	3,902	3,409	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
New Jersey								
State plan	8,683	8,481	63,589	59,665	2,490,826	2,354,431	2,234,830	2,072,206
Private plan	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
New York	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
Rhode Island	3,157	3,101	30,827	28,020	1,101,152	996,660	989,527	855,064
Railroad								
Sickness	8,964	8,660	4/80,686	5/78,542	2,464,607	2,422,944	2,517,021	2,194,992
Maternity	147	112	4/2,080	5/1,904	148,715	134,693	148,396	121,658

1/ Represents the number of payments made.
2/ Days for which additional hospital benefits were paid.
3/ Data not available.
4/ Estimated from data "benefit periods" compensated which number 40,343 for sickness and 1,040 for maternity.
5/ Estimated from data "benefit periods" compensated which number 39,271 for sickness and 952 for maternity.

Income-Maintenance Program Operations
All Programs

	1966		1965	
	June	May	June	May
Total Public Income-Maintenance Payments (millions)	$3,492	$3,484	$3,083	$3,085
Old-age, survivors, and disability insurance	1,682	1,687	1,429	1,413
Railroad and public employee retirement	1/556	1/555	1/488	1/487
Unemployment insurance, temporary disability insurance, workmen's compensation, training benefits (ARA and MDTA)	2/348	2/356	2/372	2/371
Veterans' compensation and pension programs	372	368	333	356
Public assistance	534	518	460	458
Old-Age, Survivors, and Disability Insurance				
Total beneficiaries (thousands)	21,737	21,633	20,153	20,068
Retired workers	11,461	11,394	10,843	10,801
Survivors and dependents	9,226	9,197	8,367	8,334
Disabled workers	1,050	1,042	944	933
Total monthly benefits (millions)	3/$1,581	3/$1,573	3/$1,357	3/$1,351
Retired workers	964	958	845	842
Survivors and dependents	515	513	426	424
Disabled workers	103	102	86	85
Public Assistance				
Total recipients (thousands)	8,088	8,124	8,161	8,213
Federally aided programs	7,496	7,515	7,497	7,524
Aid to families with dependent children--children	3,418	3,435	3,326	3,352
Total recipients	4,520	4,547	4,429	4,470
Old-age assistance	2,107	2,109	2,149	2,151
Other federally aided programs	1,496	1,457	919	905
General assistance: Cases	286	290	318	325
Recipients	592	609	664	689
Total payments (millions)	4/$534	4/$518	4/$460	4/$458
Federally aided programs	503	486	429	427
General assistance	21	21	21	21

1/ Data not comparable with earlier reports. Effective January 1964, Federal noncontributory and State and local retirement systems previously included with the data for unemployment insurance, temporary disability insurance, and workmen's compensation are included with railroad and public employees retirement systems.
2/ Data for temporary disability insurance and workmen's compensation include estimated payments made by private insurers and self-insurers in accordance with law.
3/ Current payment status, excludes lump sum and retroactive payments and adjustments for over and under payments.
4/ Total exceeds sum of items because of inclusion of vendor payments, not shown in detail.

Temporary Disability Insurance Activities Under State and Railroad Programs

	First claims received		Weeks compensated		Benefits paid		Benefits paid	
	July 1966	June 1966	July 1966	June 1966	July 1966	June 1966	July 1965	June 1965
California								
State plan								
Basic benefits	44,314	52,001	273,889	304,281	$15,195,525	$16,894,521	$15,439,261	$16,508,058
Additional hospital benefits	1/26,301	1/31,128	2/191,217	2/222,871	2,294,604	2,674,452	2,831,100	4,120,248
Private plan	3,116	3,902	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
New Jersey								
State plan	7,275	8,683	53,970	63,589	2,130,165	2,490,826	2,150,613	2,234,830
Private plan	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
New York	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)	(3/)
Rhode Island	2,692	3,157	26,295	30,827	950,069	1,101,152	913,240	989,527
Railroad								
Sickness	30,313	8,964	4/70,624	5/80,686	1,908,977	2,464,607	2,002,338	2,517,021
Maternity	150	147	4/1,894	5/2,080	130,878	148,715	148,363	148,396

1/ Represents the number of payments made.
2/ Days for which additional hospital benefits were paid.
3/ Data not available.
4/ Estimated from data "benefit periods" compensated which number 35,312 for sickness and 947 for maternity.
5/ Estimated from data "benefit periods" compensated which number 40,343 for sickness and 1,040 for maternity.

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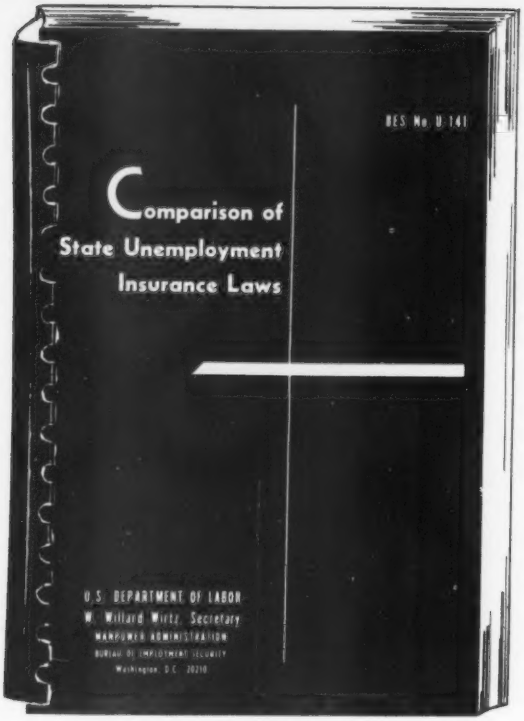

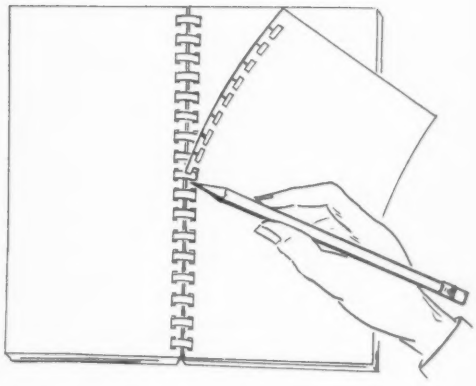

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